

**REMARKS/ARGUMENTS**

The Examiner is thanked for withdrawing the former rejection based on the art then of record. However, new grounds for rejection have been presented.

Claim 1 stands rejected under 35 U.S.C. §102(b) over Naniwae. First, the Examiner has pointed to characteristics of the claimed optical modulator and asserted that they carry no patentable weight on grounds that they are an intended use and further that the Naniwae reference also teaches the feature. In response, the language of the claim has been further amended to specify that the amplifier “is operative to produce gain...” thereby overcoming the arguable objection arising from translation and resultant claim drafting deficiencies.

In addition, the Applicant offers that Naniwae does not disclose or teach the features of claim 1 as now amended. As described in the specification, page 1, paragraphs [0001] and [0007], Naniwae relates to a semiconductor integrated circuit device for providing multi-wave length light or so-called white light, using a plurality of light emitting diode devices. Naniwae’s object is to provide a small and inexpensive multi-wave semiconductor light source using a plurality of discrete light emitting devices producing output of different wavelengths to yield an appearance of white light. A process is also recited.

In contrast, the invention presently claimed relates to an optical module and optical communication system, a quite different application. The claimed invention reduces insertion loss in an optical transmission path. Naniwae differs in application and intended use, so that even if an amplifier could be placed in #5 to #6 and a modulator could be placed in #9, Naniwae still fails to disclose an optical element configured with a semiconductor and dispose in series with and behind the optical amplifying unit, as recited in amended claim 1. It is therefore submitted that claim 1 and all dependent claims define patentable subject matter.

Claims 4-7 and 12-14, all dependent on claim 1, stand rejected under 35 U.S.C. §103(a) over Li in view of Mak. The Applicant respectfully traverses the rejection, noting first that these claims all depend from allowable claims. Moreover, the Applicant submits that Li is not properly applicable. As described in the specification, paragraph [0033] and shown in figure 1 of Li, the optical power splitter 50 is disposed before the optical amplifier 30, whereas in the

present invention as now claimed, the optical element is disposed in series with and behind the optical amplifier. Thus, Li fails to disclose or teach an optical element configured with a semiconductor and disposed in series with and behind the optical amplifying unit, as recited in amended claim 1.

In reference to Mak, the specification column 1 lines 3 to 8 reveals that Mak relates to a directional coupler type optical device formed of semiconductor material with a teaching of a method for driving the same. More particularly, Mak relates to an optical device that functions as an optical switch and an optical mode splitter and method for driving the same. Nothing in Mak overcomes the above-mentioned deficiencies of Li.

For these reasons, the Applicant submits that the claimed invention defines patentable subject matter.

#### CONCLUSION

In view of the foregoing, Applicant believes all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 650-326-2400.

Respectfully submitted,



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